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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
STATE: RHODE ISLAND
INCOME AND ELIGIBILITY VERIFICATION SYSTEM PROCEDURES
TARGETING METHODOLOGY

STATE FOLLOW-UP PLAN FOR INFORMATION ITEMS RECEIVED FROM MATCHING OPERATION UNDER THE INCOME AND ELIGIBILITY VERIFICATION SYSTEM (IEVS).

The categories of IEVS information items excluded from follow-up and the State's justification for excluding such categories from follow-up are defined below. Medical Assistance cases which fall below the identified tolerance levels are excluded from follow-up.

A. SOCIAL SECURITY BENEFITS MATCH:

I. Community Cases

- a. \$50.00 annual tolerance for discrepancy between amount on the DHS file and an adjusted yearly Bendex file for all community-based cases with the exception of Flexible Test of Income cases. \$1.00 annual tolerance for Flexible Test of Income cases which have achieved Medical Assistance eligibility as a result of meeting a spend-down liability.
- b. Experience has demonstrated that a lower tolerance would generate a large number of matches with follow-up resulting in a small percentage of cases whose eligibility would be affected.

II. Long Term Care Cases

- a. \$1.00 annual tolerance for discrepancy between amount on the DHS file and an adjusted yearly Bendex file for all Nursing Facility, Intermediate Care Facility-Mental Retardation, and Home & Community Based Services Waiver cases.
- b. Tolerance allowed as rounding techniques used by the different programs cause insignificant variations. The tolerance is set low as income is used to determine the liability applied to cost of care.

TN No. 90-03
Supersedes
TN No. NEW

Approval Date: _____ Effective Date: 4/1/90

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B. SOCIAL SECURITY WAGE MATCH:

I. Community Cases

- a. \$1360 per year per employee which represents eight weeks of employment at the minimum wage. (Currently \$4.25 x 40 hrs. x 8 wks.)
- b. Tolerance originally set at \$150 per employee per year. Calendar year 1989 match resulted in 722 hits with only 11 closures and demonstrated that this tolerance is not cost effective. Tolerance is now to be tested as described above since individuals employed less than 8 weeks/year were only loosely connected with the work force and not likely to be currently employed or to have past or present earnings in excess of the MNIL. Also, this tolerance is comparable to that employed by other states in the region. Additionally, Rhode Island will be identifying current earners through SWICA.

II. Long Term Care Match

- a. No follow-up on match conducted.
- b. Experience has demonstrated that the likelihood of individuals in nursing facilities being employed would not justify the expense of processing a match. Administrators of mental retardation facilities submit monthly earned income reports on employed MR individuals as a quality control corrective action.

C. UNEMPLOYMENT COMPENSATION BENEFIT MATCH:

I. Community Cases

- a. Tolerance is \$0.00.
- b. Matched dollar for dollar.

II. Long Term Care Cases

- a. Tolerance is \$0.00.
- b. Matched dollar for dollar.

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D. INTERNAL REVENUE SERVICE UNEARNED INCOME MATCH:

I. Community Care Cases

- a. \$200.00 annual tolerance for Medically Needy.
\$100.00 annual tolerance for Categorically Needy for
Aged, Blind, or Disabled characteristics.
\$50.00 annual tolerance for Categorically Needy
Foster Care and AFDC characteristics.
- b. The basic asset limit for Medically Needy
individuals and families is \$4,000. The basic
asset limit for Categorically Needy individuals is
\$2,000 and for Categorically Needy families is
\$1,000. Based on a plausible 6% interest rate, the
tolerances would target those with interest-
generating resources exceeding \$3300, \$1650, and
\$825 respectively while allowing a reasonable
buffer. The potential for additional unreported
resources exceeding the limits if taken in
aggregate exists. However, that potential remains
regardless of the amount of tolerance if the
additional assets are not of an interest-generating
nature. Experience has demonstrated that interest
earnings of less than the tolerances indicate
resources within the program asset limits.

II. Long Term Care Cases

- a. \$200.00 annual tolerance for Medically Needy.
\$100.00 annual tolerance for Categorically Needy
for Aged, Blind, or Disabled characteristics.
- b. Same justification as in D., I., b. above.

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Supersedes

TN No. NEW

Approval Date: _____ Effective Date: 4/1/90